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JUL 18 1995 10:10 PM
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July 18, 1995

Louis E. Gitomer
Direct Dial: (202)466-6532

Honorable Vernon A. Williams
Secretary
Interstate Commerce Commission
Washington, DC 20423

Dear Secretary Williams:

I have enclosed two originals of the two documents described below, to be recorded pursuant to 49 U.S.C. § 11303.

I. The first document is **Lease Supplement (SPT 1995-B) No. 1**, a secondary document, dated as of July 18, 1995. The primary document to which this is connected is recorded under Recordation No. 19403. We request that this document be recorded under Recordation No. 19403-B.

The names and addresses of the parties to Lease Supplement (SPT 1995-B) No. 1 are:

Lessor:

State Street Bank and Trust Company
225 Franklin Street
Boston, MA 02110

Lessee:

Southern Pacific Transportation Company
One Market Plaza
San Francisco, CA 94105

A description of the equipment covered by Lease Supplement (SPT 1995-B) No. 1 consists of 170 General Electric AC4400 CW diesel-electric locomotives numbered SP 100-197, 215-284, and 301-302, all inclusive.

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19403-B
JUL 18 1995

LEASE SUPPLEMENT (SPT 1995-B) NO. 1

Dated as of July 18, 1995

between

STATE STREET BANK AND TRUST COMPANY,
Lessor,

and

SOUTHERN PACIFIC TRANSPORTATION COMPANY,
Lessee

CERTAIN OF THE RIGHT, TITLE AND INTEREST OF LESSOR IN AND TO THIS LEASE SUPPLEMENT, THE EQUIPMENT COVERED HEREBY AND THE RENT DUE AND TO BECOME DUE UNDER THE LEASE HAVE BEEN ASSIGNED AS COLLATERAL SECURITY TO, AND ARE SUBJECT TO A SECURITY INTEREST IN FAVOR OF, THE FIRST NATIONAL BANK OF BOSTON, NOT IN ITS INDIVIDUAL CAPACITY BUT SOLELY AS INDENTURE TRUSTEE UNDER A TRUST INDENTURE AND SECURITY AGREEMENT (SPT 1995-B), DATED AS OF APRIL 25, 1995, BETWEEN SAID INDENTURE TRUSTEE, AS SECURED PARTY, AND THE LESSOR, AS DEBTOR. INFORMATION CONCERNING SUCH SECURITY INTEREST MAY BE OBTAINED FROM THE INDENTURE TRUSTEE AT ITS ADDRESS SET FORTH IN SECTION 24 OF THE LEASE. THIS LEASE SUPPLEMENT HAS BEEN EXECUTED IN SEVERAL COUNTERPARTS. ONLY THAT COUNTERPART TO BE DEEMED THE ORIGINAL COUNTERPART FOR CHATTEL PAPER PURPOSES CONTAINS THE RECEIPT THEREFOR EXECUTED BY THE FIRST NATIONAL BANK OF BOSTON, AS INDENTURE TRUSTEE, ON THE SIGNATURE PAGES THEREOF. SEE SECTION 30 OF THE LEASE FOR INFORMATION CONCERNING THE RIGHTS OF THE ORIGINAL HOLDER AND THE HOLDERS OF THE VARIOUS COUNTERPARTS HEREOF.

Filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on July __, 1995 at __:__. M. Recordation Number 19403-__, and deposited in the office of the Registrar General of Canada pursuant to Section 90 of the Railway Act of Canada on July __, 1995, at __:__. M.

LEASE SUPPLEMENT (SPT 1995-B) NO. 1

LEASE SUPPLEMENT (SPT 1995-B) No. 1 dated July 18, 1995 (this "Lease Supplement") between STATE STREET BANK AND TRUST COMPANY, not in its individual capacity, but solely as Owner Trustee ("Lessor") under the Trust Agreement, and SOUTHERN PACIFIC TRANSPORTATION COMPANY, a Delaware corporation ("Lessee");

W I T N E S S E T H:

WHEREAS, Lessor and Lessee have heretofore entered into that certain Lease of Railroad Equipment (SPT 1995-B) dated as of April 25, 1995 (the "Lease"). Unless otherwise defined herein, capitalized terms used herein shall have the meanings specified in Appendix A to the Lease; and

WHEREAS, the Lease provides for the execution and delivery of a Lease Supplement substantially in the form hereof for the purpose of confirming the purchase by the Lessor and lease by Lessor to the Lessee of the Units thereunder as and when purchased by Lessor in accordance with and subject to the terms of the Lease;

NOW, THEREFORE, in consideration of the premises and other good and sufficient consideration, Lessor and Lessee hereby agree as follows:

1. Lessee hereby acknowledges and confirms that it has inspected and approved the Units set forth on Schedule 1 hereto at the time and on the dates set forth in the applicable Certificate(s) of Acceptance and such Units comply in all material respects with the specifications for such Units and are in good working order.

2. Lessor hereby confirms delivery and lease to Lessee, and Lessee hereby confirms acceptance and lease from Lessor, under the Lease as hereby supplemented, the Units listed on Schedule 1 hereto.

3. Lessee hereby represents and warrants that no Event of Loss has occurred with respect to the Units set forth on Schedule 1 hereto as of the date hereof.

4. The Funding Date of the Units described above is the date of this Lease Supplement set forth in the opening paragraph hereof.

5. The amounts comprising the aggregate Equipment Cost of the Units leased hereunder are set forth on Schedule 1 hereto. The Basic Rent, Stipulated Loss Values, Termination Values and EBO Amount applicable in respect of the Units are set forth, respectively, on Schedules 3, 4, 5 and 6 to the Participation Agreement.

6. Lessee hereby confirms its agreement, in accordance with the Lease as supplemented by this Lease Supplement, to pay Rent to Lessor for each Unit leased hereunder as provided for in the Lease.

Schedule 1
to
LEASE SUPPLEMENT
(SPT 1995-B) NO. 1


Description of Equipment

<u>No. Of Units</u>	<u>Description Of Equipment</u>	<u>Road Numbers</u>	<u>Equipment Cost per Units</u>
100	General Electric AC4400 CW Diesel- Electric Freight Locomotives (without Harris Locotrol III equipment)	SP 100-197, inclusive SP 301-302, inclusive	\$1,679,325.00
70	General Electric AC4400 CW Diesel- Electric Freight Locomotives (with Harris Locotrol III equipment)	SP 215-284, inclusive	\$1,743,363.00

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Supplement to be duly executed and delivered on the day and year first above written.

LESSOR:

STATE STREET BANK AND TRUST
COMPANY,
not in its individual capacity, but solely as Owner
Trustee

By: 
Name: Jill Olson
Title: Assistant Vice President

LESSEE:

SOUTHERN PACIFIC TRANSPORTATION
COMPANY

By: _____
Name:
Title:

COMMONWEALTH OF MASSACHUSETTS)
) ss.:
COUNTY OF SUFFOLK)

Nancy G. Duke
NANCY G. DUKE
Notary Public
My Commission Expires April 25, 1997

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Supplement to be duly executed and delivered on the day and year first above written.

LESSOR:

STATE STREET BANK AND TRUST
COMPANY,
not in its individual capacity, but solely as Owner
Trustee

By: _____

Name:

Title:

LESSEE:

SOUTHERN PACIFIC TRANSPORTATION
COMPANY

By: _____

Name:

Title:

L. C. Yarberry
L. C. Yarberry
Vice President Finance

SPT 1995-B

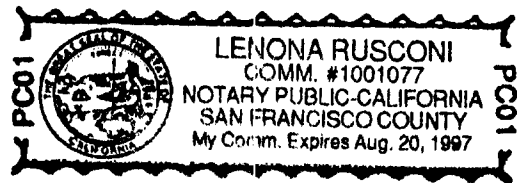
STATE OF CALIFORNIA)
)
COUNTY OF SAN FRANCISCO)

ss:

On July 13 1995, before me, Lenona Rusconi, Notary Public, personally appeared L.C. Varberry, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he/~~she~~ executed the same in his/~~her~~ authorized capacity, and that by his/~~her~~ signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Lenona Rusconi
Notary Public



COMMONWEALTH OF MASSACHUSETTS)
) ss.:
COUNTY OF SUFFOLK)

Nancy G. Duke
NANCY G. DUKE
Notary Public
My Commission Expires April 25, 1997

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Supplement to be duly executed and delivered on the day and year first above written.

LESSOR:

STATE STREET BANK AND TRUST
COMPANY,
not in its individual capacity, but solely as Owner
Trustee

By: _____

Name:

Title:

LESSEE:

SOUTHERN PACIFIC TRANSPORTATION
COMPANY

By: _____

Name:

Title: L. C. Yarberry
Vice President Finance

SPT 1995-B

STATE OF CALIFORNIA)
)
COUNTY OF SAN FRANCISCO)

SS:

On July 13, 1995, before me, Lenona Rusconi, Notary Public, personally appeared L.C. Yarberry, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he/~~she~~ executed the same in his/~~her~~ authorized capacity, and that by his/~~her~~ signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Lenona Rusconi
Notary Public

